GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:999
ANSWERED ON:19.07.2002
XEROX CORPORATION
A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL;C. SREENIVAASAN;M.H. AMBAREESH;P.D. ELANGOVAN;RAMSHETH THAKUR

Will the Minister of FINANCE be pleased to state:

(a) whether the Xerox Corporation has disclosed a scam in its Indian Subsidiary;

(b) if so, the details thereof;

(c) whether the Government propose to hand over the entire matter to the Central Bureau of Investigation for making an impartial enquiry and suspending the operation of Xerox Modicorp Ltd a subsidiary of Xerox Corporation, till the investigation is completed and corrupt officers are identified;

(d) if so, the details thereof; and

(e) if not, the reasons therefore and the action taken or proposed to be taken by the Government in this regard.

Answer

MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) & (b) In its annual report for the year 2001, M/s Xerox Corporation of USA have stated that certain improper payments were made in connection with sales to Government customers by their subsidiary in India.

(c) to (e) An inspection under Section 209A of the Companies Act, 1956 has been ordered.